

UK sets out proposals for new AI rulebook to unleash innovation and boost public trust in the technology

- Comes as Data Protection and Digital Information Bill introduced to Parliament, including measures to use AI responsibly while reducing compliance burdens on businesses to boost the economy
- Regulators like Ofcom and the Competition and Markets Authority (CMA) will apply six principles to oversee AI in a range of contexts

New plans for regulating the use of artificial intelligence (AI) will be published today to help develop consistent rules to promote innovation in this groundbreaking technology and protect the public.

It comes as the Data Protection and Digital Information Bill is introduced to Parliament which will [transform the UK's data laws](#) to boost innovation in technologies such as AI. The Bill will seize the benefits of Brexit to keep a high standard of protection for people's privacy and personal data while delivering around £1 billion in savings for businesses.

Artificial Intelligence refers to machines which learn from data how to perform tasks normally performed by humans. For example, AI helps identify patterns in financial transactions that could indicate fraud and clinicians diagnose illnesses based on chest images.

The new [AI paper](#) published today outlines the government's approach to regulating the technology in the UK, with proposed rules addressing future risks and opportunities so businesses are clear how they can develop and use AI systems and consumers are confident they are safe and robust.

The approach is based on six core principles that regulators must apply, with flexibility to implement these in ways that best meet the use of AI in their sectors.

The proposals focus on supporting growth and avoiding unnecessary barriers being placed on businesses. This could see businesses sharing information about how they test their AI's reliability as well as following guidance set by UK regulators to ensure AI is safe and avoids unfair bias.

Digital Minister Damian Collins said:

We want to make sure the UK has the right rules to empower businesses and protect people as AI and the use of data keeps changing the ways we live and work.

It is vital that our rules offer clarity to businesses, confidence to investors and boost public trust. Our flexible approach will help us shape the future of AI and cement our global position as a science and tech superpower.

The UK is already home to a thriving AI sector, leading Europe and third in the world for levels of private investment after domestic firms attracted \$4.65 billion last year. AI technologies have unlocked benefits across the economy and the country – from tracking tumours in Glasgow and improving animal welfare on dairy farms in Belfast to speeding up property purchases in England. [Research](#) this year predicted more than 1.3 million UK businesses will be using artificial intelligence and investing over £200 billion in the technology by 2040.

The extent to which existing laws apply to AI can be hard for organisations and smaller businesses to navigate. Overlaps, inconsistencies and gaps in the current approaches by regulators can also confuse the rules, making it harder for organisations and the public to have confidence where AI is used.

If rules around AI in the UK fail to keep up with fast moving technology, innovation could be stifled and it will become harder for regulators to protect the public.

Instead of giving responsibility for AI governance to a central regulatory body, as the EU is doing through its AI Act, the government's proposals will allow different regulators to take a tailored approach to the use of AI in a range of settings. This better reflects the growing use of AI in a range of sectors.

This approach will create proportionate and adaptable regulation so that AI continues to be rapidly adopted in the UK to boost productivity and growth. The core principles require developers and users to:

- Ensure that AI is used safely
- Ensure that AI is technically secure and functions as designed
- Make sure that AI is appropriately transparent and explainable
- Consider fairness
- Identify a legal person to be responsible for AI
- Clarify routes to redress or contestability

Regulators – such as Ofcom, the Competition and Markets Authority, the Information Commissioner's Office, the Financial Conduct Authority and the Medicine and Healthcare Products Regulatory Agency – will be asked to interpret and implement the principles.

They will be encouraged to consider lighter touch options which could include guidance and voluntary measures or creating sandboxes – such as a trial environment where businesses can check the safety and reliability of AI tech before introducing it to market.

Industry experts, academics and civil society organisations focusing on this technology can share their views on putting this approach into practice

through a [call for evidence](#) launching today.

Responses will be considered alongside further development of the framework in the forthcoming AI White Paper which will explore how to put the principles into practice.

The government will consider ways to encourage coordination between regulators as well as looking at their capabilities to ensure that they are equipped to deliver a world leading AI regulatory framework.

Professor Dame Wendy Hall, Acting Chair of the AI Council, said:

We welcome these important early steps to establish a clear and coherent approach to regulating AI. This is critical to driving responsible innovation and supporting our AI ecosystem to thrive. The AI Council looks forward to working with government on the next steps to develop the White Paper.

The government is today also publishing the first [AI Action Plan](#) to show how it is delivering against the National AI Strategy and identifying new priorities for the year ahead.

The government has invested more than £2.3 billion in AI since 2014. Since publishing the National AI Strategy last year, the government has announced new investment in the long term needs of the sector, including funding for up to 2,000 new AI and data science scholarships, and opened up new visa routes so the industry has the skills and talent to continue to thrive.

As part of the strategy, [the AI Standard Hub was unveiled](#) at the start of the year. The Hub will provide users across industry, academia and regulators with practical tools and educational materials to effectively use and shape AI technical standards. The interactive hub platform, led by the Alan Turing Institute with the support of the British Standards Institution and National Physical Laboratory, will launch in Autumn 2022.

Ends

Notes to Editors:

- The policy paper 'Establishing a pro-innovation approach to regulating AI', which includes a link to the call for evidence, is [here](#).
- The ten-week call for evidence will run until 26 September. Organisations and individuals working across AI are encouraged to provide feedback to inform the government's work in this area.
- The Full AI Action Plan can be found [here](#)

- Today the Alan Turing Institute is publishing an [independent report](#) which found there is a need for greater coordination between regulators to meet the challenge of regulating the use of AI.
- The Data Protection and Digital Information Bill is introduced to Parliament today. The Bill will strengthen the UK's high data protection standards, introduce tougher fines for nuisance calls and cut down on unnecessary paperwork to free-up businesses. The reforms will also modernise the Information Commissioner's Office so it can better help businesses comply with the law.

[New aerospace innovation to propel UK to growth and greener skies backed by £273 million](#)

- Solar-powered aircraft and NHS treatment carrying drones are among latest innovations backed by £273 million of government and industry funding
- package to help UK aerospace sector seize jobs and growth opportunities from the global green flight revolution and other emerging sectors like drone technology
- announcement comes on first day of the Farnborough International Airshow, where the Business Secretary will deliver a keynote speech today

Solar powered aircraft, ultra-efficient wings and medical treatment carrying drones are just some of the technologies backed by £273 million to advance low-carbon aerospace innovation, economic growth and jobs, Business Secretary Kwasi Kwarteng will announce at the Farnborough International Airshow today (Monday 18 July).

The Aerospace Technology Institute estimates ATI Programme projects are set to secure 81,000 jobs, while contributing £97 billion of economic value to the UK. Today £155 million of joint government-industry funding has been announced to support new projects unlocking the latest in green aerospace innovation, such as hydrogen and battery technology, and ultra-efficient manufacturing processes and technologies, such as digital and additive manufacturing – generating further job opportunities and leads in emerging technologies and sectors.

A further £105.5 million of government-industry funding will be shared by projects focused on developing air transport systems and enabling new vehicle technologies through the Future Flight Challenge. The projects could create

more than 8,800 jobs and include making motorways safer and improving journey times by using electric drones to survey hazards, to using electric drones to distribute medical treatments across Scotland, including to cancer patients.

The Business Secretary will also announce up to £12 million is to be made available through the Regulators' Pioneer Fund to back initiatives that could unlock industries of the future through regulation – from flying cars to vaccine-carrying drones. Finally, a [Drone Ambition Statement](#) has been published today, outlining how government and industry can work together to seize on drones' potential £45 billion of benefit to the economy by 2030.

Business Secretary Kwasi Kwarteng said:

The return of the Farnborough International Airshow after a four-year absence is a clear example of the aerospace and aviation sector's recovery. Today's package of support will further this recovery and help the sector seize on the enormous opportunities for growth that exist as the world transitions to cleaner forms of flight.

Through funding for the latest in green technology, such as solar and hydrogen powered aircraft, and setting out our vision for the fast-growing market for commercial drones, we are once again placing the aerospace sector directly at the centre of our plans to deliver jobs and grow the economy.

Among 31 Aerospace Technology Institute Programme competition winners, backed by £155 million of government-industry funding, are:

- High Density Aerospace Solar Power led by Microlink Devices UK – £6.7 million to secure a high-volume, highly automated manufacturing capability in solar cells for the UK that could be used on electric aircraft
- UToPEA led by Yasa – £11.1 million to transfer knowledge of high-power, high-torque, super low weight electric motors and power electronics from premium automotive sector into the urban air mobility (electric air taxi) market. YASA's aerospace division was spun-out as Evolito Ltd in 2021
- eXtra High Performance Wing led by Airbus – £19.9 million to develop ultra-wide span wings, providing significant performance benefits through weight reduction
- NGC3 led by Crompton Technology Group – £5.3 million to develop weight reduction components aimed at facilitating carbon composite wings

Through the Future Flight Challenge led by UK Research and Innovation, 17 projects will share £105.5 million in funding to develop and demonstrate integrated aviation systems and new vehicle technologies. The projects will work with the Civil Aviation Authority to ensure they are delivered safely and effectively. They include:

- Project HEART, based in Orkney and Bedford – £10 million to explore

using aircraft powered by hydrogen or electricity to open up greener regional connectivity across the UK

- Open Skies Cornwall – £2.4 million to work with Royal Mail and NHS Kernow to use drones to provide residents on the Isles of Scilly with regular, reliable deliveries of mail and medical supplies
- CAELUS 2, based across Scotland – £10.1 million to use electric drones to support the distribution of medical products and medicines across Scotland, including helping to treat cancer patients in their local community, rather than requiring them to travel
- Skyway, based in Reading – £12.9 million to use drones to quickly and efficiently survey infrastructure, such as motorways and ports, reducing the need for costly transport system closures and improving delivery times

A new £12 million funding pot will be made available through the Regulators' Pioneer Fund to support bold initiatives by regulators and local authorities that enable the UK's regulatory environment to keep pace with cutting-edge innovation. Bids for up to £1 million per project will open on 21 July.

Previous funding has supported development of a world-first regime for crash-protected containers that drones can use to carry sensitive goods such as vaccines and a project to unlock regulatory barriers to flying taxis.

Transport Minister Robert Courts said:

The steps we have set out today will ensure our aviation sector remains world-leading and fit for the future, helping to deliver on our ambitious climate change goals and boost high-skilled job opportunities.

Integrating drones into our transport system will play a huge part in better connecting communities, from potentially delivering vital NHS treatments in isolated communities to capturing high quality aerial imaging for rescue teams.

A Drone Ambition Statement has been produced in collaboration with the Drone Industry Action Group, outlining how the UK will embed a business environment that supports the development of drone technologies and can deliver 650,000 jobs in the sector by 2030. This will be achieved through government investments like those made today through the Future Flight Challenge, effective regulation, a consultation on enabling 5G connected drones for commercial use and improving public communications to underline the potential benefits of commercial drones.

The ATI Programme and Future Flight Challenge are key components of the government's Jet Zero policy, which includes the Jet Zero Council, established to convene government, industry and academia, and jointly chaired by the Business Secretary and Transport Secretary. A final Jet Zero Strategy will be published this summer.

Government will also work with industry through the Aerospace Growth

Partnership, which launches a new strategy “Destination Net Zero” tomorrow, to deliver the sector’s transition to greener forms of aviation.

The ATI Programme is a joint government and industry investment. Its purpose is to competitively offer funding for research and technology development in the UK, to maintain and grow the UK’s competitive position in civil aerospace. It is open to UK businesses of any size for research funding. Alongside the main Strategic Programme, it will also run 2 funding streams targeted at delivering tailored support and mentoring to SMEs.

Spending Review 2021 increased government funding for the ATI programme to £685 million.

Estimates of jobs secured and economic value by the ATI Programme are estimated and published independently by the ATI.

The Future Flight Challenge is investing up to £125 million to develop greener ways to fly, such as all-electric aircraft and deliveries by drone, by advancing electric and autonomous flight technologies. The investment is matched by £175 million from industry. The challenge aims to bring together technologies in electrification, aviation systems and autonomy to create new modes of air travel and capability

The [Drone Ambition Statement](#) outlines the following core components for delivery of a successful sector, including:

- government’s Future of Flight Plan and Future of Flight Industry Group in developing a pathway to new uses and users of aviation and airspace
 - funding to ensure the UK supports and builds on the best of British drone technology, including through the Future Flight challenge, investing in and demonstrating new operating models and developing new frameworks to enable drone capabilities to thrive
 - implementation of sector-specific skills and CPD programmes to support effective end-user drone adoption and integration
 - supporting drone innovators in their ambitions to start-up and grow their businesses in the UK, and convening the Drone Industry Action Group to support collaboration between government and the drone community
 - wider regulatory support to enable routine drone operations, including a well-resourced CAA and refreshed Airspace Modernisation Strategy, and an Ofcom consultation to deliver robust drone communications and connectivity aiming to enable 4G and, in time, 5G for commercial use
 - active public outreach and communications underlining the positive potential uses for and benefits of commercial drones
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New Problem-Solving Courts to combat drug and alcohol-fuelled crime

- Courts to make offenders face their addictions, in boost to public protection
- Sentences to include intense supervision and testing to support rehabilitation
- Strong sanctions, including jail time, if offenders transgress

The first three 'Problem-Solving Courts' (PSCs) are being piloted as part of the Government's £900-million Drug Strategy, based on evidence that this approach will most effectively turn such offenders away from crime and protect the public.

They will trial a tougher approach to community sentences for low-level criminals who would otherwise face short jail terms.

Under unique orders which can be issued by the PSCs, offenders will see the same judge at least once a month, have intense support and supervision from the Probation Service, and get wraparound services tailored to their individual needs – such as from substance misuse and recovery agencies, housing support and educational services.

They will also get treatment and undertake frequent, random drug testing where appropriate. Offenders will be offered the full range of treatment interventions to help them achieve abstinence.

The £8.25-million pilot will see two such courts launched at Liverpool and Teesside Crown Courts, while a further one at Birmingham Magistrates' Court will focus on female offenders with complex needs, including substance misuse.

Deputy Prime Minister, Justice Secretary and Lord Chancellor, Dominic Raab MP said:

Getting criminal offenders sustainably off drugs is the gateway to getting them into work and a law-abiding future.

Only once offenders are drug-free can they grasp the opportunities of skills training and employment and turn their backs on crime for good.

So these innovative courts will help us grasp the nettle of drug addiction, and make our streets safer.

Judges and magistrates sitting in the PSCs will use incentives such as relaxing conditions to recognise good progress, as well as sanctions, such as increased drug testing and court reviews, when behaviour fails to meet agreed standards. They can also jail offenders for failure to stick to their sentence by imprisoning them for up to 28 days, up to a maximum of three times.

Maria (not her real name) was sentenced to an 18-month Suspended Sentence Order and requirement to attend the Greater Manchester Women's PSC, a precursor to the new pilot for women who offend. She said:

At first, I was worried about being judged, but it's not like that – sentencers are supportive and want to keep you on the right path.

You have to want to change. But after you've made that decision it's incredibly hard to do it on your own and that's why things like probation and the PSC are so important, to keep you from slipping back.

Notes to editors

- The Government committed in the Sentencing White Paper to pilot up to five PSCs and the Police, Crime, Sentencing and Courts Act Bill contained the necessary legislative provisions. Two courts are still under consideration.
- More people die every year as a result of drug misuse than from all knife crime and road traffic accidents combined. The total cost to society and taxpayers in today's prices is nearly £22 billion.
- The Government is committed to increasing treatment and reducing crime in its 10-year Drugs Strategy – [From harm to hope](#) – which is backed by an additional £900 million of funding for enforcement, treatment and recovery, taking the total investment on combating drugs over the next three years to £3 billion. The Strategy focuses on three key priorities – reducing demand for drugs, delivering a world-class treatment and recovery system and breaking drug supply chains. The strategy is contributing to the prevention of three-quarters of a million crimes including 140,000 'neighbourhood' crimes like theft robbery and burglary.
- A PSC has been trialled in Greater Manchester focussed on female offenders and 14 Family Drug and Alcohol Courts (FDACs), alternative family court for care proceedings, have achieved success at reducing substance misuse. A [Lancaster University](#) study found:

- 46% of FDAC mothers were no longer misusing substances by the end of proceedings, compared to 30% of comparison mothers, and
 - 37% of FDAC families were reunited or continued to live together compared to 25% of comparison families
 - Teesside and Merseyside have high levels of need. In 2020, the North East had the highest rate of deaths relating to drug misuse across England and Wales (104.6 deaths per million people) compared to the national rate of 52.3 deaths per million people, while the rate of deaths relating to drug misuse in the North West is 74.2 per million. A 2019 study by the Prison Reform Trust showed that rates of immediate custody per 100,000 women in the West Midlands (36 per 100,000) were higher than the overall rate for England and Wales.
 - Previous [impact evaluations](#) have found that community sentences are effective in addressing [offending behaviour](#).
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[Transport Secretary sets out protections for passengers with new aviation charter](#)

- Transport Secretary announces new Aviation Passenger Charter to help passengers navigate their protections and rights when flying.
- Follows last month's publication of Government's 22-point plan to minimise disruption at airports.

The government has today (17 July 2022) published a new [Aviation Passenger Charter](#), developed by government, industry, consumer and disability groups in partnership, outlining what passengers can expect if confronted with flight delays and cancellations this summer.

The charter has been designed to give passengers the confidence they deserve as they head for their summer holidays, and follows last month's publication of the [government's 22-point plan](#) to help the industry minimise disruption at airports and ensure holidaymakers and travellers can enjoy their well-deserved breaks.

The new Aviation Passenger Charter will act as a one-stop shop so passengers know their rights for their entire journey – from booking, travelling to and through the airport, during the flight and returning to the UK.

It outlines what aviation passengers can reasonably expect from airlines, travel agents, tour operators and airports, and what to do if things go wrong.

This includes advice on what to do if flights are cancelled or delayed, or if baggage goes missing, as well as guidance on how to complain if passengers feel they have been treated unfairly.

The charter will be reviewed regularly to ensure it remains as useful as possible for passengers, both over the busy summer period and beyond

Transport Secretary Grant Shapps said:

Passengers deserve reliable services, and to be properly compensated if things don't go to plan, and the chaotic scenes we've seen at airports scenes we've seen at airports are unacceptable.

"The new charter will help to give UK passengers peace of mind as they enjoy the renewed freedom to travel, whether for holidays, business or to visit loved ones.

Our passenger charter builds on our 22 point plan to support the industry in backing holidaymakers and keeping disruption to a minimum this summer.

Disabled passengers and people with reduced mobility must receive the best possible service, and to be treated with respect and dignity so that aviation is accessible to everyone who wants to fly. The charter will ensure that disabled passengers and those with reduced mobility have immediate access to information about their rights and what to do if things go wrong.

The government will soon announce its response to its consumer policy reform consultation, which will outline how, together with industry and the aviation regulator the Civil Aviation Authority, it will bring real change for everyday aviation passengers.

Richard Moriarty, chief executive of the UK Civil Aviation Authority, said:

It is important that we at the Civil Aviation Authority and wider industry continue to work together in the interests of consumers.

A part of that is how we improve the information they receive and making sure it is clear and concise to help support and improve their overall travel experience.

Earlier this month the government [announced that mandatory aviation sector national security checks are being processed in record time](#), supporting the industry as it works to rapidly fill vacancies in the face of heightened demand for flights this summer.

97% of Accreditation Checks are being completed in around 5 days on average, with counter terrorist checks (CTC) in the aviation sector being processed in

under 10 days on average. This is a reduction from the 20-day average turnaround for CTC checks in March, before the priority measures for aviation sector applications were introduced.

Last month the government [announced a one-off 'amnesty' on airport slot rules](#), enabling airlines to plan ahead and avoid last-minute cancellations. This was provided as an exceptional measure while industry makes progress in recruiting necessary staff.

The measures are part of the [government's 22-point plan](#) to help ensure passengers don't face a summer of disruption, as it called on the industry to do everything within its power to ensure there is no repeat of the problems experienced at Easter and half term.

It sets out all of the measures the government is taking to support the aviation industry, including to help recruit and train staff, ensure the delivery of a realistic summer schedule, minimise disruption and support passengers when delays and cancellations are unavoidable.

[Companies must do more to ensure safe and responsible gaming and take action on 'loot boxes' to protect young people](#)

- Government's call for evidence has unveiled a link between loot boxes and gambling harms, as well as wider mental health, financial and problem-gaming harms
- Government calls on games companies to step up and improve protections for children as well as players of all ages from the risk of harm

Video games companies and platforms must do more to make sure children can not make in-game purchases – known as 'loot boxes' – without their parents' consent, Culture Secretary Nadine Dorries said today.

Loot boxes are a type of in-game purchase in some video games. Players can purchase a loot box with real money to receive random items, including "power-ups" to help a player compete better in the game and cosmetic items, such as virtual clothing.

The call for evidence on loot boxes, launched by the Department for Digital, Culture, Media and Sport in 2020, found that players who have purchased loot boxes may be more likely to experience gambling, mental health, financial and problem gaming-related harms. The risk may also be higher for children and young people.

To protect players, the Government is calling for the purchase of loot boxes to be made unavailable to children and young people unless they are approved by a parent or guardian.

Some games platforms, such as Xbox, have already taken steps to improve protections, such as including options that require parental permission for under-18s to spend money within games. The Government wants to build on this with strong protections for children across the entire games industry and will not hesitate to consider legislation if companies do not bring in sufficient measures to keep players safe.

Culture Secretary Nadine Dorries said:

We want to stop children going on spending sprees online without parental consent, spurred on by in-game purchases like loot-boxes.

Games companies and platforms need to do more to ensure that controls and age-restrictions are applied so that players are protected from the risk of gambling harms. Children should be free to enjoy gaming safely, whilst giving parents and guardians the peace of mind they need.

Games companies and platforms should provide spending controls and transparent information to all players. Protections should support the minority of players who spend a disproportionate amount of money on loot boxes, and who may be at a greater risk of harm.

A new working group, convened by DCMS, will bring together games companies, platforms and regulatory bodies to develop industry-led measures to protect players and reduce the risk of harm. This will include measures such as parental controls, and making sure transparent, accessible information is available to all players.

The call for evidence also found a need for better evidence to improve understanding of the positive and negative impacts of video games. The Government will launch a Video Games Research Framework to support this.

The UK has a world class video games industry which contributed £2.9 billion to the economy in 2019, growing hugely from £400 million in 2010. As the sector continues to innovate the Government is committed to supporting its growth, whilst also ensuring games can be enjoyed safely.

Dr Jo Twist OBE, Chief Executive Officer, Ukie said:

As a responsible industry, we have committed to exploring additional ways to support players and parents to build on our existing work developing and raising awareness of parental controls.

We look forward to engaging closely with the Government and other

organisations in the working group and on the Video Games Research Framework.

Dr Richard Wilson OBE, Chief Executive Officer, TIGA said:

TIGA believes that games businesses should aim to ensure that games are safe to use for all players. In 2020, TIGA formally adopted its 5 Principles for Safeguarding Players, designed to embody the spirit of the approach that games companies should adopt in operating their businesses within the UK. Children and young people should not be able to buy 'loot boxes' in video games without parental consent. TIGA also believes that vulnerable adults need to be protected against potential harms arising from loot boxes. TIGA looks forward to contributing to the DCMS's planned working group to advance measures to protect players from potential harms.

ENDS

Notes to editors:

- The Government response is on [gov.uk](https://www.gov.uk).
- The DCMS response considered over 32,000 responses to a player survey, 50 direct submissions, and an independent review of academic studies.